

SCANNED w/o Bill

46 pg w/o bill ;
93 w/bill
Bill is 46 pages -
1st page only
included

MONTANA LEGISLATIVE HISTORY

Chapter 427 1999

Bill H 132 S _____

Original bill & history / c

H. Committee on Taxation

Hearing Date(s) 1/15 ✓ c

1/28 ✓ c

_____ c

_____ c

Date Out _____ c

S. Committee on Taxation

Hearing Date(s) 3/4 ✓ c

3/10 ✓ c

_____ c

_____ c

Did this bill originate in an interim committee? _____ Yes _____ No

Committee _____

Report _____

12/22	Introduced		
1/04	1st Reading		
1/04	Referred to Appropriations		
1/14	Fiscal Note Requested		
1/21	Fiscal Note Received		
1/21	Fiscal Note Signed		
1/21	Fiscal Note Printed		
1/21	Hearing		
3/19	Committee Executive Action--Bill Passed as Amended	17	1
3/22	Committee Report--Bill Passed as Amended		
3/22	Revised Fiscal Note Requested		
3/24	Revised Fiscal Note Received		
3/24	2nd Reading Passed as Amended	64	36
3/24	Revised Fiscal Note Printed		
3/25	3rd Reading Failed	42	57

HB 132 Introduced by Kasten

LC0255 Drafter: Martin

Simplify the Determination of Penalty and Interest Applied to Taxes, Fees, and Other Assessments Collected by the Department of Revenue under Titles 15 and 16;...

By Request of Department of Revenue

12/22	Introduced		
1/04	1st Reading		
1/04	Referred to Taxation		
1/04	Fiscal Note Requested		
1/09	Fiscal Note Received		
1/11	Fiscal Note Signed		
1/12	Fiscal Note Printed		
1/15	Hearing		
1/28	Committee Executive Action--Bill Passed	15	5
1/29	Committee Report--Bill Passed		
2/03	2nd Reading Passed as Amended	56	43
2/05	3rd Reading Passed	72	25
	Transmitted to Senate		
2/06	Referred to Taxation		
3/04	Hearing		
3/10	Committee Executive Action--Bill Concurred as Amended	8	1
3/10	Committee Report--Bill Concurred as Amended		
3/13	2nd Reading Concurred as Amended	43	3
3/15	3rd Reading Concurred	36	13
	Returned to House with Amendments		
4/13	2nd Reading Senate Amendments Concurred	87	10
4/14	3rd Reading Passed as Amended by Senate	80	19
4/14	Sent to Enrolling		
4/15	Returned from Enrolling		
4/16	Signed by Speaker		
4/16	Signed by President		
4/16	Transmitted to Governor		
4/22	Signed by Governor		
4/23	Chapter Number Assigned		
	Chapter Number 427		
	Effective Date: 7/01/1999 - Sections 2 and 57		
	Effective Date: 1/01/2000 - Sections 1 and 3-56		

HOUSE BILL NO. 132

INTRODUCED BY KASTEN B

BY REQUEST OF THE DEPARTMENT OF REVENUE

A BILL FOR AN ACT ENTITLED: "AN ACT SIMPLIFYING THE DETERMINATION OF PENALTY AND INTEREST APPLIED TO TAXES, FEES, AND OTHER ASSESSMENTS COLLECTED BY THE DEPARTMENT OF REVENUE UNDER TITLES 15 AND 16; PROVIDING UNIFORM PROVISIONS FOR ASSESSING PENALTIES FOR LATE FILED TAX RETURNS, REPORTS, OR STATEMENTS; PROVIDING UNIFORM PROVISIONS FOR ASSESSING PENALTY AND INTEREST FOR DELINQUENT TAXES AND FEES; PROVIDING EXCEPTIONS; REVISING THE WAIVER OF PENALTY PROVISIONS; CLARIFYING THE PENALTY PROVISIONS FOR DELINQUENT PROPERTY TAXES; AMENDING SECTIONS 15-1-206, 15-8-309, 15-16-101, 15-16-102, 15-24-904, 15-24-1207, 15-30-142, 15-30-209, 15-30-241, 15-30-321, 15-30-323, 15-31-510, 15-31-543, 15-31-545, 15-35-105, 15-35-112, 15-35-113, 15-36-311, 15-36-313, 15-36-314, 15-36-315, 15-36-325, 15-37-105, 15-37-108, 15-37-109, 15-37-114, 15-37-115, 15-37-205, 15-37-210, 15-37-211, 15-38-107, 15-50-309, 15-51-103, 15-51-109, 15-51-110, 15-51-111, 15-53-105, 15-53-106, 15-53-111, 15-59-106, 15-59-112, 15-59-113, 15-60-204, 15-60-208, 15-65-115, 15-65-116, 16-1-403, 16-1-409, 16-1-411, 16-11-143, 16-11-203, 39-51-1301, 75-2-220, 75-5-516, AND 87-2-903, MCA; AND PROVIDING EFFECTIVE DATES AND AN APPLICABILITY DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

NEW SECTION. Section 1. Uniform penalty and interest assessments for violation of tax provisions -- applicability -- exceptions. (1) (a) A person who fails to file a required tax return or other report with the department by the due date, including any extension of time, of the return or report must be assessed a late filing penalty of \$50.

(b) A person who purposely fails to file a required return, statement, or other report must be assessed an additional late filing penalty of \$200.

(c) A person who fails to pay a tax when due must be assessed a late payment penalty of 2% a month or fraction of a month on the unpaid tax. The penalty may not exceed 24% of the tax due.

FISCAL NOTE

Bill #: HB0132

Title: Standardize penalty and interest on late and delinquent taxes

Primary Sponsor: Betty Lou Kasten

Status: As introduced

Betty Lou Kasten 1-11-99
Sponsor signature Date

Dave Lewis 1-8-99
Dave Lewis, Budget Director Date

Fiscal Summary

	<u>FY2000 Difference</u>	<u>FY2001 Difference</u>
Expenditures:		
Revenue:		
General Fund	\$26,000	\$207,000
Net Impact on General Fund Balance:	\$26,000	\$207,000

<u>Yes</u>	<u>No</u>		<u>Yes</u>	<u>No</u>	
	X	Significant Local Gov. Impact		X	Technical Concerns
	X	Included in the Executive Budget		X	Significant Long-Term Impacts

Fiscal Analysis

ASSUMPTIONS:

- Based on an analysis conducted by the Department of Revenue, the uniform interest provisions in this bill will generate \$207,000 per year in general fund revenue, once the new policy applies to all tax types. The act is effective January 1, 2000, and applies to all *tax periods* beginning after December 31, 1999, thus it will not apply to individual income taxes filed on a calendar year basis, for example, until January 1, 2001. The new interest and penalty provisions will apply to tax types that are collected on a weekly, monthly, or quarterly basis in fiscal year 2000 (e.g., withholding, natural resources taxes, etc.). The Department estimates that approximately 1/8 the annualized amount of \$207,000 will be collected in fiscal 2000, or approximately \$26,000.
- An estimate of the revenue impact arising from the uniform penalty provisions of this bill is not available.

HB 132

INDEX TO BILLS IN COMMITTEE

June 30, 1999

- Committee: (H) Taxation -

04:07 PM

HB 108 SPONSOR: Swanson, Emily SHORT TITLE: Revise taxation of class 3 and 4 property; exemption; rate reduction; valuation

BY REQUEST OF: Interim Property Tax Committee

REFERRED ON: 12/23/1998 HEARD ON: 01/20/1999

EXECUTIVE ACTION: 02/19/1999 Bill Passed as Amended -- VOTE: 17 - 3

FINAL DISPOSITION 04/22/1999 (S) Died in Standing Committee

HB 128 SPONSOR: Gillan, Kim SHORT TITLE: Generally revise taxation of telecommunications

BY REQUEST OF: Revenue Oversight Committee

REFERRED ON: 01/04/1999 HEARD ON: 02/04/1999

EXECUTIVE ACTION: 02/09/1999 Bill Passed as Amended -- VOTE: 19 - 1

FINAL DISPOSITION 04/23/1999 Chapter Number Assigned

HB 132 SPONSOR: Kasten, Betty Lou SHORT TITLE: Standardize penalty and interest on late and delinquent taxes collected by DOR

BY REQUEST OF: Department Of Revenue

REFERRED ON: 01/04/1999 HEARD ON: 01/15/1999

EXECUTIVE ACTION: 01/28/1999 Bill Passed -- VOTE: 15 - 5

FINAL DISPOSITION 04/23/1999 Chapter Number Assigned

HB 137 SPONSOR: Anderson, Shiell SHORT TITLE: Tax dispute review procedure

BY REQUEST OF: Department Of Revenue

REFERRED ON: 01/04/1999 HEARD ON: 01/11/1999

EXECUTIVE ACTION: 01/25/1999 Bill Passed as Amended -- VOTE: 18 - 2

FINAL DISPOSITION 03/02/1999 Chapter Number Assigned

HB 138 SPONSOR: Harper, Hal SHORT TITLE: Revise fuel licensure provisions

BY REQUEST OF: Department Of Transportation

REFERRED ON: 01/04/1999 HEARD ON: 01/14/1999

EXECUTIVE ACTION: 01/14/1999 Bill Passed -- VOTE: 20 - 0

FINAL DISPOSITION 03/02/1999 Chapter Number Assigned

HB 139 SPONSOR: Harper, Hal SHORT TITLE: Revise LPG dealer tax return

BY REQUEST OF: Department Of Transportation

REFERRED ON: 01/04/1999 HEARD ON: 01/14/1999

EXECUTIVE ACTION: 01/14/1999 Bill Passed -- VOTE: 20 - 0

FINAL DISPOSITION 03/02/1999 Chapter Number Assigned

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 56th LEGISLATURE - REGULAR SESSION

COMMITTEE ON TAXATION

Call to Order: By **CHAIRMAN CHASE HIBBARD**, on January 15, 1999 at 8:00 A.M., in Room 437 Capitol.

ROLL CALL

Members Present:

Rep. Chase Hibbard, Chairman (R)
Rep. Kim Gillan, Vice Chairman (D)
Rep. Bob Story, Vice Chairman (R)
Rep. Gary Beck (D)
Rep. Rick Dale (R)
Rep. Bob Davies (R)
Rep. Ron Erickson (D)
Rep. Daniel Fuchs (R)
Rep. Mary Anne Guggenheim (D)
Rep. Marian Hanson (R)
Rep. Hal Harper (D)
Rep. Dan Harrington (D)
Rep. John L. Holden (R)
Rep. Verdell Jackson (R)
Rep. Bob Raney (D)
Rep. Bill Rehbein (R)
Rep. Sam Rose (R)
Rep. Trudi Schmidt (D)
Rep. Roger Somerville (R)

Members Excused: Rep. Scott J. Orr (R)

Members Absent: None.

Staff Present: Donna Grace, Committee Secretary
Jeff Martin, Legislative Branch

Please Note: These are summary minutes. Testimony and discussion are paraphrased and condensed.

HEARING ON HB 132

Sponsor:

Rep. Betty Kasten, HD 99, opened the hearing. The purpose of the legislation is to simplify the calculation of penalty and interest for all tax types by providing for standardized interest rates and penalties.

{Tape : 2; Side : A; Approx. Time Counter : 10.1}

Proponents:

Neil Peterson, Department of Revenue. EXHIBIT(2)

{Tape : 2; Side : A; Approx. Time Counter : 11.4}

Opponents:

Cort Harrington, Montana County Treasurers' Association. {Tape : 2; Side : A; Approx. Time Counter : 19.3}

Informational Witnesses:

None.

Questions from Committee Members and Responses:

{Tape : 2; Side : A; Approx. Time Counter : 23.1}

Closing by Sponsor:

Rep. Kasten closed the hearing.

{Tape : 2; Side : B; Approx. Time Counter : 12.7}

HEARING ON HB 166

Sponsor:

Rep. Betty Kasten, HD 99, opened the hearing on HB 166. The legislation would unify and standardize the collection of taxes and other debts collected by the Department of Revenue. {Tape : 2; Side : B; Approx. Time Counter : 16.6}

Proponents:

Neil Peterson, Department of Revenue. EXHIBIT(3)

{Tape : 2; Side : B; Approx. Time Counter : 17.7}

2

An Act to Simplify the Calculation of Penalty and Interest Rates Across All Tax Types

House Bill 132

EXHIBIT 2
DATE 1-15-99
HB 132

Introduction

The purpose of this legislation is to simplify the calculation of penalty and interest for all tax types by providing for standardized interest rates and penalties.

- Penalties for failure to timely file will be assessed at a flat \$50
- Penalties for purposely failing to file will result in an additional penalty assessment of \$200
- Standardize penalty structure to a time sensitive penalty of 2% per month not to exceed 24%, which will more accurately fit the severity of the delinquency
- Those purposely failing to pay will be assessed an additional 25% of the tax due, not less than \$200
- Provide a simple interest rate of 12% per annum

Application of CI-75 to HB132

- CI-75 exempts fees, other charges, and restitution from Taxpayer approval
- Penalty is considered an “other charge” while interest is “restitution”

Changes to Penalty & Interest Rates By Tax Type

Tax Type	Deficiency	Late File	Late Pay	W-2 Penalty/ Failure to File Report	Fraudulent or Habitual Delinquent	Civil Case for Fraudulent Return or Statement	Estimated Tax Underpayment	Interest Rate
Individual Income	5%, minimum of \$2	5%, minimum of \$5	10%, minimum of \$5		25%, minimum of \$25	Not more than \$1,000	10%	9% per annum of unpaid tax
	NONE	#1	#2		#3 and/or #4		12% Interest	12%
Withholding Tax			2% per month with a maximum of 24%	Delinquent reports \$50 and \$5 per W-2, minimum of \$50	25%, minimum of \$25	Not more than \$1,000		18% per annum of unpaid tax
		#1		No Change to W- 2	#3 and/or #4			12%
Unemployment Insurance			2% per month with a maximum of 24%	\$50				18% per annum of unpaid tax
		#1		#1	#3 and/or #4			12%
Corporate License		1% per month with a maximum of 25%				Not more than \$5,000	20% per annum on underpaid estimated tax	12% per annum of unpaid tax
		#1	#2		#3 and/or #4		12% Interest	
Accommodations			10% of tax					12% per annum of unpaid tax
		#1	#2		#3 and/or #4			
Public Service Commission			10% of tax					12% per annum of unpaid tax
		#1	#2		#3 and/or #4			
Consumer Counsel			10% of tax					12% per annum of unpaid tax
		#1	#2		#3 and/or #4			

Current Penalty & Interest

Proposed Penalty & Interest Changes

#1 is a penalty of \$50 for late file

#2 is a penalty of 2% per month of unpaid tax, up to 24%

#3 is an additional late file penalty of \$200

#4 is an additional penalty equal to 25% of the tax or \$200, which ever is greater

Interest is 12% per annum, accrued on the unpaid tax, accrued at 1% a month or fraction thereof

Changes to Penalty & Interest Rates By Tax Type

Tax Type	Deficiency	Late File	Late Pay	W-2 Penalty/ Failure to File Report	Fraudulent or Habitual Delinquent	Civil Case for Fraudulent Return or Statement	Estimated Tax Underpayment	Interest Rate
Consumer Counsel			10% of tax					12% per annum of unpaid tax
		#1	#2		#3 and/or #4			
Telephone			10% of tax					12% per annum of unpaid tax
		#1	#2		#3 and/or #4			
911 Telephone			10% of tax					12% per annum of unpaid tax
		#1	#2		#3 and/or #4			
Rural Electric			10% of tax					12% per annum of unpaid tax
		#1	#2		#3 and/or #4			
Nursing Facility			10% of tax					12% per annum of unpaid tax
		#1	#2		#3 and/or #4			
Natural Resources		10% of delinquent tax	10% of tax			Not more than \$1,000		1% per month of unpaid tax & penalty
		#1	#2		#3 and/or #4			12%
		Graduated 5%, 10%, 15%, 25% of tax	5% of tax					1% per month of unpaid tax & penalty
Beer & Wine		#1	#2		#3 and/or #4			12%
			5%, minimum of \$50					None
Cigarette		#1	#2		#3 and/or #4			12%

Current Penalty & Interest

Proposed Penalty & Interest Changes

#1 is a penalty of \$50 for late file

#2 is a penalty of 2% per month of unpaid tax, up to 24%

#3 is an additional late file penalty of \$200

#4 is an additional penalty equal to 25% of the tax or \$200, whichever is greater

Interest is 12% per annum, accrued on the unpaid tax, accrued at 1% a month or fraction thereof

House Bill 132

Simplifying Penalty & Interest

House Bill 132 was drafted to:

- To provide uniform penalty and interest rates across all tax types (section 1)
- To provide rulemaking authority in order to implement and administer the changes in law (section 2)
- To amend various sections of Title 15, Taxation; 16, Alcohol and Tobacco; 39, Labor; 75, Environmental Protection; 87, Fish and Wildlife to strike existing penalties and interest and replace those provisions with reference to the new uniform penalty and interest section (sections 3 through 57)

Conclusion

Simplification and standardization of penalty and interest rates will:

- Increase compliance by taxpayers
- Provide fairer assessment of penalties
- Reduce the complexity in the computer information systems (resulting in less maintenance and improvement costs)
- Improve efficiencies and streamline Revenue's tax administration resulting in a reduction of costs to taxpayers, tax practitioners, and attorneys

HOUSE TAXATION COMMITTEE - 1999

ROLL CALL

DATE OF MEETING 1-15-99

NAME	PRESENT	ABSENT	EXCUSED
Rep. Beck	✓		
Rep. Dale	✓		
Rep. Davies	✓		
Rep. Erickson	✓		
Rep. Fuchs	✓		
Rep. Gillan	✓		
Rep. Guggenheim	✓		
Rep. Hanson	✓		
Rep. Harper	✓		
Rep. Harrington	✓		
Rep. Holden	✓		
Rep. Jackson	✓		
Rep. Orr	✓		✓
Rep. Raney	✓		
Rep. Rehbein	✓		
Rep. Rose	✓		
Rep. Schmidt	✓		
Rep. Somerville	✓		
Rep. Storey	✓		
Rep. Hibbard	✓		

HOUSE TAXATION COMMITTEE

BILL NO: HB 132 SPONSOR: Rep. Kasten

Please leave prepared testimony with secretary.
Witness statement forms are available if you care to submit written testimony.

Witness statement forms are available if you care to submit written testimony.

MINUTES

**MONTANA HOUSE OF REPRESENTATIVES
56th LEGISLATURE - REGULAR SESSION**

COMMITTEE ON TAXATION

Call to Order: By **CHAIRMAN CHASE HIBBARD**, on January 28, 1999 at 8:00 A.M., in Room 437 Capitol.

ROLL CALL

Members Present:

Rep. Chase Hibbard, Chairman (R)
Rep. Kim Gillan, Vice Chairman (D)
Rep. Gary Beck (D)
Rep. Rick Dale (R)
Rep. Bob Davies (R)
Rep. Ron Erickson (D)
Rep. Daniel Fuchs (R)
Rep. Mary Anne Guggenheim (D)
Rep. Marian Hanson (R)
Rep. Hal Harper (D)
Rep. Dan Harrington (D)
Rep. John L. Holden (R)
Rep. Verdell Jackson (R)
Rep. Scott J. Orr (R)
Rep. Bob Raney (D)
Rep. Bill Rehbein (R)
Rep. Sam Rose (R)
Rep. Trudi Schmidt (D)
Rep. Roger Somerville (R)

Members Excused: Rep. Bob Story, Vice Chairman (R)

Members Absent: None.

Staff Present: Donna Grace, Committee Secretary
Jeff Martin, Legislative Branch

Please Note: These are summary minutes. Testimony and discussion are paraphrased and condensed.

Motion/Vote:

Rep. Harrington MOVED AMENDMENT 24801 DO PASS. EXHIBIT(5) On a voice vote, the MOTION PASSED unanimously, 20 - 0.
{Tape : 2; Side : A; Approx. Time Counter : 12.3}

Motion:

Rep. Harrington MOVED HB 248 DO PASS AS AMENDED.
{Tape : 2; Side : A; Approx. Time Counter : 12.5}

Discussion:

{Tape : 2; Side : A; Approx. Time Counter : 13}

Vote:

The MOTION PASSED, 19 - 1. Story, Orr, Schmidt, Holden, Rose, Guggenheim, Jackson, Harrington, Dale, Somerville, Rehbein, Beck, Davies, Fuchs, Harper, Hanson, Raney, Gillan and Hibbard voting yes; Erickson voting no.
{Tape : 2; Side : B; Approx. Time Counter : 5.2}

EXECUTIVE ACTION ON HB 132

Motion:

Rep. Orr MOVED HB 132 DO PASS.
{Tape : 2; Side : B; Approx. Time Counter : 7}

Motion:

Rep. Hanson MOVED to adopt the proposed amendments to HB 132.
EXHIBIT(6) EXHIBIT(7)
{Tape : 2; Side : B; Approx. Time Counter : 8.5}

Discussion:

{Tape : 2; Side : B; Approx. Time Counter : 9.3}

Vote:

The MOTION FAILED, 11 - 8. Schmidt, Rose, Guggenheim, Harrington, Dale, Somerville, Erickson, Beck, Harper, Raney and

Gillan voting no; Story, Orr, Holden, Rehbein, Davies, Fuchs, Hanson and Hibbard voting yes.

{Tape : 2; Side : B; Approx. Time Counter : 22.8}

Motion/Vote:

Rep. Orr MOVED an amendment which would expand the penalty provisions under the property tax. On a voice vote, the MOTION FAILED, 17 - 3. Rehbein, Holden and Orr voting no.

{Tape : 2; Side : B; Approx. Time Counter : 28.3}

Vote on Original Motion:

On a voice vote, the MOTION PASSED, 15 - 5. Orr, Holden, Rehbein, Davies and Fuchs voting no.

{Tape : 3; Side : A; Approx. Time Counter : 0.7}

EXECUTIVE ACTION ON SB 84

Motion:

Rep. Harper MOVED DO CONCUR ON SB 84.

{Tape : 3; Side : A; Approx. Time Counter : 3.1}

Discussion:

{Tape : 3; Side : A; Approx. Time Counter : 5.2}

Vote:

On a voice vote, the MOTION PASSED, 19 - 1. Rep. Orr voting no.

{Tape : 3; Side : A; Approx. Time Counter : 5.3}

EXECUTIVE ACTION ON HB 152

Motion:

Rep. Holden MOVED DO PASS.

{Tape : 3; Side : A; Approx. Time Counter : 6.4}

Motion:

Rep. Gillan MOVED an amendment to HB 152. EXHIBIT(8)

{Tape : 3; Side : A; Approx. Time Counter : 6.4}

INDEX TO BILLS IN COMMITTEE

June 30, 1999

- Committee: (S) Taxation -

05:12 PM

-
- HB 82** SPONSOR: Harper, Hal SHORT TITLE: Revise county tax appeal procedure
BY REQUEST OF: State Tax Appeal Board
REFERRED ON: 01/27/1999 HEARD ON: 02/09/1999
EXECUTIVE ACTION: 02/09/1999 Bill Concurred as Amended -- VOTE: 6 - 0
FINAL DISPOSITION 03/16/1999 Chapter Number Assigned
-
- HB 108** SPONSOR: Swanson, Emily SHORT TITLE: Revise taxation of class 3 and 4 property; exemption; rate reduction; valuation
BY REQUEST OF: Interim Property Tax Committee
REFERRED ON: 03/01/1999 HEARD ON: 03/09/1999
FINAL DISPOSITION 04/22/1999 (S) Died in Standing Committee
-
- HB 128** SPONSOR: Gillan, Kim SHORT TITLE: Generally revise taxation of telecommunications
BY REQUEST OF: Revenue Oversight Committee
REFERRED ON: 03/13/1999 HEARD ON: 03/19/1999
EXECUTIVE ACTION: 04/07/1999 Bill Concurred -- VOTE: 8 - 0
FINAL DISPOSITION 04/23/1999 Chapter Number Assigned
-
- HB 132** SPONSOR: Kasten, Betty Lou SHORT TITLE: Standardize penalty and interest on late and delinquent taxes collected by DOR
BY REQUEST OF: Department Of Revenue
REFERRED ON: 02/06/1999 HEARD ON: 03/04/1999
EXECUTIVE ACTION: 03/10/1999 Bill Concurred as Amended -- VOTE: 8 - 1
FINAL DISPOSITION 04/23/1999 Chapter Number Assigned
-
- HB 137** SPONSOR: Anderson, Shiell SHORT TITLE: Tax dispute review procedure
BY REQUEST OF: Department Of Revenue
REFERRED ON: 02/02/1999 HEARD ON: 02/09/1999
EXECUTIVE ACTION: 02/09/1999 Bill Concurred -- VOTE: 6 - 0
FINAL DISPOSITION 03/02/1999 Chapter Number Assigned
-
- HB 138** SPONSOR: Harper, Hal SHORT TITLE: Revise fuel licensure provisions
BY REQUEST OF: Department Of Transportation
REFERRED ON: 01/27/1999 HEARD ON: 02/09/1999
EXECUTIVE ACTION: 02/09/1999 Bill Concurred -- VOTE: 7 - 0
FINAL DISPOSITION 03/02/1999 Chapter Number Assigned
-

EXHIBIT 6
DATE 1-28-99
HB 132

Amendments to House Bill No. 132
1st Reading Copy

Requested by Representative Bill Rehbein

For the House Transportation Committee

Prepared by Jeff Martin
January 25, 1999

1. Title, page 1, line 10.

Strike: "CLARIFYING"

Insert: "REVISING"

2. Page 1, line 29.

Strike: "2%"

Insert: "1.5%"

3. Page 1, line 30.

Strike: "24%"

Insert: "18%"

4. Page 3, line 19.

Strike: "2%"

Insert: "1.5%"

5. Page 3, line 20.

Strike: "24%"

Insert: "18%"

6. Page 4, line 27.

Strike: "2%"

Insert: "1.5%"

7. Page 4, line 28.

Strike: "24%"

Insert: "18%"

8. Page 5, line 1.

Strike: "2%"

Insert: "1.5%"

9. Page 5, line 2.

Strike: "24%"

Insert: "18%"

- END -

EXHIBIT 7
DATE 1-28-99
HB 132

Amendments to House Bill No. 132
1st Reading Copy

Requested by Representative Bill Rehbein

For the House Taxation Committee

Prepared by Jeff Martin
January 25, 1999

1. Title, page 1, lines 10 and 11:

Strike: "CLARIFYING" on line 10 through "TAXES;" on line 11

2. Title, page 1, line 12.

Strike: "15-16-101, 15-16-102,"

3. Page 3, line 13 through page 5, line 13.

Strike: sections 5 and 6 in their entirety

Renumber: subsequent sections

- END -

HOUSE TAXATION COMMITTEE - 1999

ROLL CALL

DATE OF MEETING 1-28-97

NAME	PRESENT	ABSENT	EXCUSED
Rep. Beck	✓		
Rep. Dale	✓		
Rep. Davies	✓		
Rep. Erickson	✓		
Rep. Fuchs	✓		
Rep. Gillan	✓		
Rep. Guggenheim	✓		
Rep. Hanson	✓		
Rep. Harper	✓		
Rep. Harrington	✓		
Rep. Holden	✓		
Rep. Jackson	✓		
Rep. Orr	✓		
Rep. Raney	✓		
Rep. Rehbein	✓		
Rep. Rose	✓		
Rep. Schmidt	✓		
Rep. Somerville	✓		
Rep. Story			✓
Rep. Hibbard	✓		



HOUSE STANDING COMMITTEE REPORT

January 28, 1999

Page 1 of 1

Mr. Speaker:

We, your committee on **Taxation** report that **House Bill 132** (first reading copy -- white) do pass.

Signed: _____

Chase Hibbard
Representative Chase Hibbard, Chair

- END -

Committee Vote:
Yes 15, No 5.

221355SC.ham

ss.
2:20
1-29

HOUSE TAXATION COMMITTEE - 1999

ROLL CALL VOTE

BILL NO. HB 132 DATE OF MEETING 1-28-99

MOTION: Orn do pass ~~as amended~~

NAME	YES	NO	ABSTAIN
Rep. Story			
Rep. Orr			
Rep. Schmidt			
Rep. Holden			
Rep. Rose			
Rep. Guggenheim			
Rep. Jackson			
Rep. Harrington			
Rep. Dale			
Rep. Sommerville			
Rep. Erickson			
Rep. Rehbein			
Rep. Beck			
Rep. Davies			
Rep. Fuchs			
Rep. Harper			
Rep. Hanson			
Rep. Raney			
Rep. Gillan			
Rep. Hibbard			

Orn
Holden
Rehbein
Davies
Fuchs

No

15-5

HOUSE TAXATION COMMITTEE - 1999

ROLL CALL VOTE

BILL NO. H6132 DATE OF MEETING 1-28-99

MOTION: Amendment # 2 - OM

NAME	YES	NO	ABSTAIN
Rep. Story	✓		
Rep. Orr			
Rep. Schmidt			
Rep. Holden			
Rep. Rose			
Rep. Guggenheim			
Rep. Jackson	Rejection Holden OM =		YES
Rep. Harrington			YES
Rep. Dale			
Rep. Sommerville			
Rep. Erickson			
Rep. Rehbein			
Rep. Beck	11-3		
Rep. Davies			
Rep. Fuchs			
Rep. Harper			
Rep. Hanson			
Rep. Raney			
Rep. Gillan			
Rep. Hibbard			

HOUSE TAXATION COMMITTEE - 1999

ROLL CALL VOTE

BILL NO. HB 32 DATE OF MEETING 1-28-99MOTION: Amendments - Hanson #1
lowers tax rate

NAME	YES	NO	ABSTAIN
Rep. Story	✓		
Rep. Orr	✓		
Rep. Schmidt		✓	
Rep. Holden	✓		
Rep. Rose		✓	
Rep. Guggenheim		✓	
Rep. Jackson			—
Rep. Harrington		✓	
Rep. Dale		✓	
Rep. Sommerville		✓	
Rep. Erickson		✓	
Rep. Rehbein	✓		
Rep. Beck		✓	
Rep. Davies	✓		
Rep. Fuchs	✓		
Rep. Harper		✓	
Rep. Hanson	✓		
Rep. Raney		✓	
Rep. Gillan		✓	
Rep. Hibbard	✓		

8

11

MINUTES

**MONTANA SENATE
56th LEGISLATURE - REGULAR SESSION**

COMMITTEE ON TAXATION

Call to Order: By **CHAIRMAN GERRY DEVLIN**, on March 4, 1999 at
8:00 A.M., in Room 413/415 Capitol.

ROLL CALL

Members Present:

Sen. Gerry Devlin, Chairman (R)
Sen. Bob DePratu, Vice Chairman (R)
Sen. Dorothy Eck (D)
Sen. E. P. "Pete" Ekegren (R)
Sen. Jon Ellingson (D)
Sen. Alvin Ellis Jr. (R)
Sen. Bill Glaser (R)
Sen. Barry "Spook" Stang (D)

Members Excused: Sen. John C. Bohlinger (R)

Members Absent: None

Staff Present: Sandy Barnes, Committee Secretary
Lee Heiman, Legislative Branch

Please Note: These are summary minutes. Testimony and
discussion are paraphrased and condensed.

Committee Business Summary:

Hearing(s) & Date(s) Posted: HJR 19, 3/1/1999; HB 132,
2/19/1999; HB 168, 2/19/1999;
SB 512, 2/19/1999
Executive Action: SB 487

HEARING ON HJR 19

Sponsor: REPRESENTATIVE AUBYN CURTISS, HD 81, FORTINE

Proponents: Gordon Morris, Montana Association of Counties
Sam Samson, Jefferson County Commissioner
Mike Collins, Montana Mining Association and
Independent Montana Miners

much lower level, it is going with inflation, and **Mr. Morris** said that was correct.

SEN. ELLIS said that in Montana we are not quite as hard hit as some states with federal land, and he asked if besides the eleven western states, whether there was any Forest Service land anywhere else in the country. **REP. CURTISS** said that there are other areas, but they are comparatively small compared to those west of the Mississippi.

SEN. DEPRATU said that in some of the western Montana counties they have experienced about a 90% decline in the sale of timber, which has a direct effect on the money that is received by the counties. **REP. CURTISS** said that was true.

CHAIRMAN DEVLIN asked how much Jefferson County received from this funding presently, and **Mr. Samson** said that it is around \$260,000. **CHAIRMAN DEVLIN** then asked how that money is distributed, and **Mr. Samson** said that that is spelled out in the law, but generally counties use it for roads, although it is fairly discretionary.

SEN. ELLIS said that schools and cities don't share in this money, and **Mr. Samson** said that was correct. **SEN. ELLIS** asked if **REP. CURTISS** could provide a map depicting federal lands across the country, and she said she would.

CHAIRMAN DEVLIN asked **REP. CURTISS** who would carry this on the floor, and it was decided that **SEN. ELLIS** would do that.

Closing by Sponsor:

REP. CURTISS said that in meeting with the Forest Service, there was some indication that the administration was going to change the method of payment to one which would either freeze the payments to 1997 levels or to some alternative formula which is still unknown. **REP. CURTISS** also provided a letter of support from the Gallatin County Commissioners, **EXHIBIT(2)**.

HEARING ON HB 132

Sponsor: REPRESENTATIVE BETTY LOU KASTEN, HD 99, BROCKWAY

Proponents: Mary Bryson, Director, Department of Revenue
Tom Harrison, Montana Society of CPAs
Joe Shevlin, Montana Society of CPAs

Opponents: None

Opening Statement by Sponsor:

REP. BETTY LOU KASTEN, HD 99, Brockway, said that this is another bill which deals with the consolidation of services for the Department of Revenue. HB 132 pertains to penalties and interest which the Department deals with.

Proponents' Testimony:

Mary Bryson, Director, Department of Revenue, provided a handout entitled "An Act to Simplify the Calculation of Penalty and Interest Rates Across All Tax Types, House Bill 132," EXHIBIT(3). She said the purpose of this legislation is to simplify the calculation of penalty and interest for all tax types by providing for standardized interest rates and penalties. She referred the committee to the second page of the handout which shows the proposed interest and penalties. She said the House did amend the penalties by standardizing the penalty structure to a time-sensitive penalty which is 1.5% per month, not to exceed 18%. Ms. Bryson then moved on to the third page, which is a chart which indicates by tax type changes to penalty and interest rates with the modifications shown in blue.

Ms. Bryson said that simplification and standardization of penalty and interest rates will increase compliance by taxpayers, provide fairer assessment of penalties, reduce the complexity in the computer information systems (resulting in less maintenance and improvement costs), and improve efficiencies and streamline Revenue's tax administration resulting in a reduction of costs to taxpayers, tax practitioners and attorneys.

Tom Harrison, Montana Society of CPAs, presented the committee with a request for an amendment, EXHIBIT(4). He said that simplification and standardization of penalties and interest are goals of the Society. He said this amendment comes from the philosophy of the Society that if there is no tax due, a taxpayer ought not to be assessed a penalty. This amendment will assess the penalty or the amount of tax due, whichever is less, so if the person does not owe tax, there will be no penalty.

Joe Shevlin, CPA, Junkermier, Clark, Campanella and Stevens, Helena, and Montana Society of CPAs, said he supports HB 132 with the amendments put forth by Mr. Harrison. He said that they support the penalties for people who file late, but they do feel that if there are no taxes owed, there should be no penalty for late filings.

Opponents' Testimony: None

Questions from Committee Members and Responses:

SEN. ELLIS asked if the handout reflects the bill as amended by the House, and **Ms. Bryson** said that was correct.

SEN. GLASER said that there is a 50% increase in the interest rates as a percentage, going from 1% to 1.5%, and he asked **Ms. Bryson** to explain. **Ms. Bryson** said that the position the Department has taken is that the state is not in the business of lending money to the taxpayer, and the Department has set it up at a rate that is comparable to credit card charges.

SEN. ECK said that in Section 1 there are fines for not filing a tax return but also for other reports and statements, and she wondered what that involved, and **Ms. Bryson** said that in some tax categories taxpayers are required to file a quarterly report which does not report any tax liability but reports information to the Department, and this would be a required report that there would be a penalty for. **SEN. ECK** asked if that would include assessments on personal property, and **Ms. Bryson** said that was correct and the penalty would be filed according to how each property is filed.

CHAIRMAN DEVLIN asked whether the Fiscal Note was correct in that this will have a positive impact of \$207,000 every year after the first year, and **Ms. Bryson** said that was correct.

CHAIRMAN DEVLIN asked how much interest is being collected presently, and **Ms. Bryson** estimated that it would be between \$3 million and \$4 million a year, but that the Department would provide the exact figures to the committee.

SEN. ELLIS asked whether, on taxes overdue, penalty and interest is not received until the taxpayer makes restitution, and **Ms. Bryson** said that was correct. **SEN. ELLIS** asked if the \$30 million presently due the Department, which was mentioned by **REP. KASTEN**, was owed by large taxpayers, and **Ms. Bryson** said that that represents 16,000 taxpayers.

SEN. STANG asked if the Department could provide information on what federal penalties are for these same taxes, especially with respect to income and withholding and unemployment insurance tax, and **Ms. Bryson** said they could do that.

SEN. STANG asked who gets the interest from the increase of the interest on property taxes, the counties or the state, and **Ms. Bryson** said that those are locally collected taxes and locally assessed penalties and interest so they would go to the local

government and would be distributed in the same manner as property taxes.

SEN. STANG then asked why the state should be setting the amounts of penalties and interest for property taxes collected by the local governments, and **Ms. Bryson** said that section of code had not been modified as it relates to property. She said that a penalty provision had been put in. **SEN. STANG** asked, then, if the late-payment penalty for property taxes was for the county not submitting a timely report to the state, or if it was against the taxpayer for paying late. **Ms. Bryson** said that the late-pay penalty is the same as exists in the code today for property tax purposes.

Gordon Morris, Montana Association of Counties, referred to page 3 of the bill, Section 5, and said that the current interest is 1% per month and what is being changed relative to property tax delinquencies is the penalty provision. He said currently the penalty provision is 2% assessed at the time of payment and that is being changed to 1.5% per month up to a maximum of 18%. He said this is the section that he opposes in this bill.

Closing by Sponsor:

REP. KASTEN said that this is not an increase on taxpayers, only those who do not pay their bills, and those taxpayers cost the taxpayers that do pay their bills extra money, so it is about time that that is remedied. She said there is a change. The House amendments made on the floor raised the interest to 1.5% per month and it is prorated through the month.

REP. KASTEN said this is the final bill of the three that created one-stop licensing, one-stop registration, and consolidated the UIDOR functions. The Department has come in this year with 12 fewer FTEs and 17 fewer are planned for 2001. The revenue collection has been improved and results in \$1.2 million in new revenues for the state.

HEARING ON HB 168

Sponsor: **REPRESENTATIVE BETTY LOU KASTEN, HD 99, BROCKWAY**

Proponents: **Mary Bryson, Director, Department of Revenue**
Lois Menzies, Director, Department of Administration
Gordon Morris, Montana Association of Counties

Opponents: **None**

An Act to Simplify the Calculation of Penalty and Interest Rates Across All Tax Types

House Bill 132

Introduction

The purpose of this legislation is to simplify the calculation of penalty and interest for all tax types by providing for standardized interest rates and penalties.

Proposed Interest

- Provide a simple interest rate of 12% per annum, accrued at 1% per month or any fraction thereof

Proposed Penalties

- Standardize penalty structure to a time sensitive penalty of 1.5% per month not to exceed 18%, which will more accurately fit the severity of the delinquency
- Those purposely failing to pay will be assessed an additional 25% of the tax due, not less than \$200
- Penalties for failure to timely file will be assessed at a flat \$50
- Penalties for purposely failing to file will result in an additional penalty assessment of \$200

Changes to Penalty & Interest Rates By Tax Type

Tax Type	Deficiency	Late File	Late Pay	W-2 Penalty/ Failure to File Report	Fraudulent or Habitual Delinquent	Civil Case for Fraudulent Return or Statement	Estimated Tax Underpayment	Interest Rate
Individual Income	5%, minimum of \$2	5%, minimum of \$5	10%, minimum of \$5		25%, minimum of \$25	Not more than \$1,000	10%	9% per annum of unpaid tax
	NONE	#1	#2		#3 and/or #4		12% Interest	12%
Withholding Tax			2% per month with a maximum of 24%	Delinquent reports \$50 and \$5 per W-2, minimum of \$50	25%, minimum of \$25	Not more than \$1,000		18% per annum of unpaid tax
		#1		No Change to W- 2	#3 and/or #4			12%
Unemployment Insurance			2% per month with a maximum of 24%	\$50				18% per annum of unpaid tax
		#1		#1	#3 and/or #4			12%
Corporate License			1% per month with a maximum of 25%			Not more than \$5,000	20% per annum on underpaid estimated tax	12% per annum of unpaid tax
		#1	#2		#3 and/or #4		12% Interest	
Accommodations			10% of tax					12% per annum of unpaid tax
		#1	#2		#3 and/or #4			
Public Service Commission			10% of tax					12% per annum of unpaid tax
		#1	#2		#3 and/or #4			
Consumer Counsel			10% of tax					12% per annum of unpaid tax
		#1	#2		#3 and/or #4			

Current Penalty & Interest

Proposed Penalty & Interest Changes

#1 is a penalty of \$50 for late file

#2 is a penalty of 1.5% per month of unpaid tax, up to 18%

#3 is an additional late file penalty of \$200

#4 is an additional penalty equal to 25% of the tax or \$200, which ever is greater

Interest is 12% per annum, accrued on the unpaid tax, accrued at 1% a month or fraction thereof

Changes to Penalty & Interest Rates By Tax Type

Tax Type	Deficiency	Late File	Late Pay	W-2 Penalty/ Failure to File Report	Fraudulent or Habitual Delinquent	Civil Case for Fraudulent Return or Statement	Estimated Tax Underpayment	Interest Rate
Telephone			10% of tax					12% per annum of unpaid tax
		#1	#2		#3 and/or #4			
911 Telephone			10% of tax					12% per annum of unpaid tax
		#1	#2		#3 and/or #4			
Rural Electric			10% of tax					12% per annum of unpaid tax
		#1	#2		#3 and/or #4			
Nursing Facility			10% of tax					12% per annum of unpaid tax
		#1	#2		#3 and/or #4			
Natural Resources		10% of delinquent tax	10% of tax			Not more than \$1,000		1% per month of unpaid tax & penalty
		#1	#2		#3 and/or #4			12%
Beer & Wine		Graduated 5%, 10%, 15%, 25% of tax	5% of tax					1% per month of unpaid tax & penalty
		#1	#2		#3 and/or #4			12%
Cigarette			5%, minimum of \$50					None
		#1	#2		#3 and/or #4			12%
Property Tax			2%		\$100/Refusal to Furnish Statement-funds to County Treasurer			5/6% per Month
			#2		\$25/failure to File- Funds to General Fund			

Current Penalty & Interest

Proposed Penalty & Interest Changes

#1 is a penalty of \$50 for late file

#2 is a penalty of 1.5% per month of unpaid tax, up to 18%

#3 is an additional late file penalty of \$200

#4 is an additional penalty equal to 25% of the tax or \$200, which ever is greater

Interest is 12% per annum, accrued on the unpaid tax, accrued at 1% a month or fraction thereof

House Bill 132

Simplifying Penalty & Interest

House Bill 132 was drafted to:

- To provide uniform penalty and interest rates across all tax types (section 1)
- To provide rulemaking authority in order to implement and administer the changes in law (section 2)
- To amend various sections of Title 15, Taxation; 16, Alcohol and Tobacco; 39, Labor; 75, Environmental Protection; 87, Fish and Wildlife to strike existing penalties and interest and replace those provisions with reference to the new uniform penalty and interest section (sections 3 through 57)

Conclusion

Simplification and standardization of penalty and interest rates will:

- Increase compliance by taxpayers
- Provide fairer assessment of penalties
- Reduce the complexity in the computer information systems (resulting in less maintenance and improvement costs)
- Improve efficiencies and streamline Revenue's tax administration resulting in a reduction of costs to taxpayers, tax practitioners, and attorneys

Application of CI-75 to HB132

- CI-75 exempts fees, other charges, and restitution from Taxpayer approval
- Penalty is considered an "other charge" while interest is "restitution"

SENATE TAXATION

DATE 3/4/99

EXHIBIT NO. 4

BILL NO. HB 132

AMENDMENT
HB132
VERSION: THIRD READING
DATE: 3-3-99

REASON: To clarify the amount of the penalty for violation of tax provisions.

AMENDMENT:

Page 1, line 26

Following: "\$50"

Insert: "or the amount of the tax due, whichever is less"

2. Page 1, line 28

Following "\$200"

Insert "or the amount of the tax due, whichever is less"

**MONTANA SENATE
1999 LEGISLATURE
TAXATION COMMITTEE**

ROLL CALL

DATE _____

3/4/99

[illegible]

DATE 3/4/99

SENATE COMMITTEE ON Taxation

BILLS BEING HEARD TODAY: SB 512, AB 132, AB 168

PLEASE PRINT

NAME	PHONE	REPRESENTING	BILL #	SUPPORT	OPPOSE
ANDY SKINNER	442-6931	SELF	SB 512		✓
GLENN WHEELER	497-2585	MONTANA POWER Co.	S.B. 512		✓
MIKE COLLINS	227-5182	I MT MINERS	HJ19	✓	
Joe Shoulin	442-6901	MT SOCIETY CPA	AB 132	X	
TOM HARRISON	442-6350	MT. Society CPAs	AB 132	X	w/ amendment
Steve Sneed	443-4032	MT Assoc. of Realtors	SB 512		X
Jim PAIADICHAK	442-0726	M. D. U.	SB 512		✓
Bill LEARY	443-3076	HELENA Prop. Owners	SB 512		✓
CHRIS J. GALLUS	442-2405x102	MT CHAMBER	SB 512		✓
Byron Roberts	442-4479	MT Building Industry Assn	SB 512		✓
Reley Johnson	443-3797	NFIB	SB 512		✓
Mike Fellows	721-9020	MT LP	SB 512		✓
Brad Griffin		MT Retail			✓

VISITOR REGISTER

PLEASE LEAVE PREPARED STATEMENT WITH COMMITTEE SECRETARY

DATE 3/4/99

SENATE COMMITTEE ON Variation

BILLS BEING HEARD TODAY: SB 512, HB 132, HB 168

PLEASE PRINT

NAME	PHONE	REPRESENTING	BILL #	SUPPORT	OFFENSE
<i>Gordon Morris</i>		<i>MAG</i>	<i>CU</i>		
<i>Mary Bryson</i>		<i>DOR</i>	<i>168 132</i>	☒	
<i>Ronda Carpenter</i>		<i>MT Housing Providers</i>	<i>SB512</i>		☒

VISITOR REGISTER

PLEASE LEAVE PREPARED STATEMENT WITH COMMITTEE SECRETARY

MINUTES

**MONTANA SENATE
56th LEGISLATURE - REGULAR SESSION**

COMMITTEE ON TAXATION

Call to Order: By **CHAIRMAN GERRY DEVLIN**, on March 10, 1999 at 8:00 A.M., in Room 413/415 Capitol.

ROLL CALL

Members Present:

Sen. Gerry Devlin, Chairman (R)
Sen. Bob DePratu, Vice Chairman (R)
Sen. Dorothy Eck (D)
Sen. E. P. "Pete" Ekegren (R)
Sen. Jon Ellingson (D)
Sen. Alvin Ellis Jr. (R)
Sen. Bill Glaser (R)
Sen. Barry "Spook" Stang (D)

Members Excused: Sen. John C. Bohlinger (R)

Members Absent: None

Staff Present: Sandy Barnes, Committee Secretary
Lee Heiman, Legislative Branch

Please Note: These are summary minutes. Testimony and discussion are paraphrased and condensed.

Committee Business Summary:

Hearing(s) & Date(s) Posted: None
Executive Action: HB 132; SB 502; SB407

EXECUTIVE ACTION ON HB 132

Motion: SEN. STANG MOVED THE AMENDMENT PROPOSED BY THE CPAS, EXHIBIT(1).

Discussion:

SEN. STANG said that the amendment proposed by the CPAs simply sets \$50 or the amount of tax due, whichever is less, as penalty for violation of tax provisions.

SEN. ELLINGSON asked if this meant that it would be \$50 plus the amount of the tax, and if the tax were \$49, the penalty would be \$49, and SEN. STANG said that was correct.

Vote: Motion carried 9-0.

Motion: SEN. DEPRATU MOVED HB013202.ALH, EXHIBIT(2).

Discussion:

SEN. DEVLIN said this amendment strikes Section 5, which deals with the treasurers publishing notice that taxes are due.

Motion carried 9-0.

Motion/Vote: SEN. DEPRATU MOVED THAT HB 132 DO PASS AS AMENDED.
Motion carried 8-1 with Stang voting no.

SEN. ELLIS volunteered to carry the bill on the floor.

EXECUTIVE ACTION ON SB 502

Motion: SEN. DEPRATU MOVED SB050201.ALH, EXHIBIT(3).

Discussion:

Mr. Heiman explained that these amendments get rid of the CI-75 provisions in SB 502.

SEN. ECK asked whether the percentages all work out in this legislation, and Mr. Heiman walked through the bill and explained that they all work together the way they should.

Vote: Motion carried 9-0.

Motion/Vote: SEN. ELLIS MOVED THAT SB 502 DO PASS AS AMENDED.
Motion carried 9-0.

EXECUTIVE ACTION ON SB 407

Motion: SEN. STANG MOVED THAT SB 407 DO PASS.

Discussion:

SEN. STANG referring to a letter from Jerry Sorensen, EQC member, dated February 17, 1999, EXHIBIT(4), said that the Environmental Quality Council put together SB 97 and requested funding as

SENATE TAXATION
DATE 3/10/99
EXHIBIT NO. 1
BILL NO. NB 132

AMENDMENT
HB132
VERSION: THIRD READING
DATE: 3-3-99

REASON: To clarify the amount of the penalty for violation of tax provisions.

AMENDMENT:

Page 1, line 26

Following: "\$50"

Insert: "or the amount of the tax due, whichever is less"

2. Page 1, line 28

Following "\$200"

Insert "or the amount of the tax due, whichever is less"

SENATE TAXATION
DATE 3/10/99
EXHIBIT NO. 2
BILL NO. HB132

Amendments to House Bill No. 132
3rd Reading Copy

Requested by Senator Gerry Devlin

For the Senate Taxation Committee

Prepared by Lee Heiman
March 5, 1999 (7:42AM)

1. Title, line 12.

Strike: "15-16-101,"

2. Page 3, line 14 through page 4, line 15.

Strike: section 5 in its entirety

Renumber: subsequent sections

- END -

**MONTANA SENATE
1999 LEGISLATURE
TAXATION COMMITTEE**

ROLL CALL

DATE _____

3/10/99

[illegible]



SENATE STANDING COMMITTEE REPORT

March 10, 1999

Page 1 of 1

Mr. President:

We, your committee on Taxation report that House Bill 132 (third reading copy -- blue) be concurred in as amended.

Signed:


Senator Gerry Devlin, Chair

To be carried by Senator Alvin Ellis

And, that such amendments read:

1. Title, line 12.

Strike: "15-16-101,"

2. Page 1, line 26.

Following: "\$50"

Insert: "or the amount of the tax due, whichever is less"

3. Page 1, line 28.

Following: "\$200"

Insert: "or the amount of the tax due, whichever is less"

4. Page 3, line 14 through page 4, line 15.

Strike: section 5 in its entirety

Renumber: subsequent sections

- END -

Committee Vote:

Yes 8, No 1.

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